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To: John F. Morrall III/OMB/EOP@EOP

cc:

Subject: EPA's MP&M Rule Overregulates

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Office of Management and Budget Office Information and Regulatory Affairs  
Office of Information and Regulatory Affairs, OMB, NEOB, Room 10235 725 17th Street, NW,  
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Office of Management and Budget Information and Regulatory Affairs:

It is one of the most expensive environmental regulations ever proposed (\$1.9 billion in annualized costs). Even EPA admits that the cost far outweigh the environmental benefits (\$0.7 billion annually).

The economic impact of the new rule would be devastating. The total compliance cost for an average job shop is approximately 6.5% of total sales. EPA's estimate for economic impact of the proposed MP&M rule would double the existing compliance costs for metal finishing facilities.

The industry is unable to pass this additional cost on to customers due to a competitive market, in which metal finishing facilities have not been able to raise prices in over a decade.

Requiring compliance with the proposed stringent standards for new sources will force facilities to shut down and limit new growth, because it would require an even higher capital investment and result in a higher annualized compliance costs than under the proposed limits for existing sources.

Sincerely,

Patrick Bennett  
Director of Environmental Affairs  
Indiana Manufacturers Association